COLORADO DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT Stationary Sources Program / Air Pollution Control Division

INTER-OFFICE COMMUNICATION

PS Memo 10-03

TO: Stationary Sources Staff, Local Agencies, Regulated Community

FROM: R K Hancock III, P. E. Construction Permits Unit Supervisor

DATE: October 13, 2010, revised July 17, 2013

RE: NSPS Subpart IIII Relocation to Colorado

Diesel engines relocating to Colorado are subject to the Federal New Source Performance Standard (NSPS) Subpart IIII as a state-only requirement per Regulation Number 6, Part B, I.C.. This requirement is State of Colorado only as the U.S. Environmental Protection Agency (EPA) does not consider relocation by itself to be a modification or reconstruction.

Note: While this memo is directed at compression ignition engines, the requirements for spark ignited engines and NSPS Subpart JJJJ will be similar once the state adopts that subpart.

Used Engines

Any existing engine moving to Colorado on, or after, July 11, 2005 that had not previously been located in Colorado prior to this date, will be required to meet the provisions of NSPS Subpart IIII that apply to new and reconstructed engines at the time of the relocation to Colorado as a state-only requirement. The relocated engine will be subject to the most current NSPS IIII emission standards that are in effect on the date of relocation into Colorado. Existing engines with a manufacturer's rated horsepower of less than 500 and with a relocation date no later than 5 years after the manufacture date are exempt from this requirement per Regulation Number 6, Part B, I.C.2.a.

In order to show compliance with the state-only portion of NSPS IIII existing sources moving into Colorado will be required to provide demonstration of compliance with the emission standards via one of the methods listed in the subpart. There is a list of options, but what it basically comes down to is one of the following:

1. Manufacturer certified emission factors showing compliance.

- 2. Stack tests of same make and model showing compliance. This would only be considered if the test was done under similar conditions to Colorado (i.e., altitude).
- 3. Stack tests on the engine.

Any engine failing the stack tests would either have to install controls and retest to demonstrate compliance, or be removed from Colorado.

Any engine that relies on control device(s) to meet the requirements will have periodic testing condition(s) written in to their air permits to show that the control device(s) is/are working properly. The Air Pollution Control Division believes that this is needed because the effectiveness and reliability of control devices on diesel engines can vary significantly.

New Engines

The regulation indicates "Relocation" is what triggers the state-only provision. The Division is interpreting this as follows:

A new engine will not yet have been installed or "located" anywhere outside of Colorado. So it will be "locating" to Colorado, not "relocating". Therefore any engine that has not been operated outside the State of Colorado (other than for brief periods of testing) shall not be subject to the relocation provisions of Regulation Number 6. Such an engine will need to meet the appropriate NSPS Subpart IIII requirements, as a Federal and State requirement, in effect as of the date of manufacture and/or date of order as appropriate per the requirements of the subpart. Sources will need to provide the manufacture and/or order date to the Division during the permitting process in order for the Division to determine the applicable emissions standards.

Consistent with used engines, owners/operators of new engines shall demonstrate compliance with the NSPS IIII emissions standards via the options outlined in the subpart.

Definitions

Manufacture date - one of the following (NSPS Subpart IIII § 60.4219 per reference from Regulation Number 6, Part B, I.C,1.b.):

- (1) For freshly manufactured engines and modified engines, date of manufacture means the date the engine is originally produced.
- (2) For reconstructed engines, date of manufacture means the date the engine was originally produced, except as specified in paragraph (3) of this definition.

(3) Reconstructed engines are assigned a new date of manufacture if the fixed capital cost of the new and refurbished components exceeds 75 percent of the fixed capital cost of a comparable entirely new facility. An engine that is produced from a previously used engine block does not retain the date of manufacture of the engine in which the engine block was previously used if the engine is produced using all new components except for the engine block. In these cases, the date of manufacture is the date of reconstruction or the date the new engine is produced.

Relocation date -

The earlier of either the date a complete Air Pollutant Emission Notice (APEN) including engine serial number is submitted to the Division by the owner/operator or the date that the engine is placed and secured at the location within the State of Colorado where it is intended to be operated (Regulation Number 6, Part B, I.C,1.a.).